

**STATE OF MINNESOTA  
OFFICE OF ADMINISTRATIVE HEARINGS  
FOR THE CITY OF ST. PAUL**

In Re: the Licenses of Laro,  
Inc. d/b/a Patrick's Lounge,  
License I.D. # 14184 and 95543

FINDINGS OF FACT,  
CONCLUSIONS AND  
RECOMMENDATION

The above-entitled matter came on for hearing before Terrence A. Merritt, Administrative Law Judge, on May 29, 1996, at 9:30 a.m. in Room 220, Saint Paul City Hall-Ramsey County Courthouse. Virginia D. Palmer, Assistant St. Paul City Attorney, 400 City Hall, 15 West Kellogg Boulevard, St. Paul, Minnesota 55102, appeared on behalf of the City of St. Paul(the City), Office of License, Inspections and Environmental Protection(LIEP). The license holder made no appearance. The record in this matter was left open until June 7, 1996 for receipt of proposed Findings.

This Report is a recommendation, not a final decision. The St. Paul City Council will make the final decision after a review of the record which may adopt, reject or modify the Findings of Fact, Conclusions and Recommendations contained herein. Pursuant to St. Paul Legislative Code section 310.05(c)(1), after receipt of the Report, the City Council shall provide an opportunity to present oral or written argument alleging error in this Report and to present argument related to any recommended adverse action. The parties should contact the City Clerk to ascertain the procedure for filing such argument or appearing before the council.

**STATEMENT OF ISSUE**

Whether Licensee paid its 1995-1996 license fees.

Based on the record herein, the Administrative Law Judge makes the following:

**FINDINGS OF FACT**

1. Licensee Laro, Inc., d/b/a Patrick's Lounge (Laro), is located at 1318 W. Larpenteur Avenue, Saint Paul, Minnesota, and holds licenses at that address for On-Sale Liquor/over 100 seats(B), Sunday On-Sale Liquor, Entertainment(Class B), Restaurant (B), Gambling Location(Class B) and Cigarette. Ex. 4.
2. The licenses of Laro are effective from August 31, 1995 to August 31, 1996. The fee for the on sale liquor portion of the licenses is payable in two installments. Ex. 4.
3. On or about March 1, 1996, a check signed by Arnold J. Kampa(Kampa) on the account of Laro, Inc. at Western Bank & Insurance Agency(check) was written to the City in the amount of Two Thousand Three hundred and Twenty-Five Dollars (\$2,325.00). Ex. 5
4. The check was written for the second half of the on sale liquor license fee for Laro for the 1995-1996 license period.

5. Kampa is listed as the associated stockholder for Laro, Inc., on licensing records. Ex. 4.

6. The check was returned to the LIEP office for non-sufficient funds, after being presented twice to the bank for payment. Ex. 5.

7. On April 2, 1996, the City sent a notice of violation letter to Kampa indicating that it intended to take adverse action against the licenses of Laro based upon the payment of fees with a non-sufficient funds check. The notice of violation letter was served by mail upon Kampa c/o Patrick's Lounge. Ex. 1.

8. On April 15, 1996, the City sent a letter to Kampa indicating that the payment of fees with a non-sufficient check would be scheduled for hearing before an administrative law judge, because he had not responded to the notice of violations letter. The April 15, 1996 letter was served by mail upon Kampa c/o Patrick's Lounge. Ex. 2.

9. On April 24, 1996, the City served a Notice of Hearing upon the licensee that a hearing would be held May 29, 1996, to determine whether adverse action should be taken for the failure to pay the 1995 liquor license fees. The Notice of Hearing was served by U.S. mail upon Kampa at Patrick's Lounge. Ex. 3.

10. Kampa did not appear at the hearing on May 29, 1996. No one representing Kampa or Patrick's Lounge or Laro, Inc. appeared at the hearing on May 29, 1996.

11. Records of the LIEP Office showed that no payment had been made on the account of Laro, as of the morning of May 29, 1996 immediately before the hearing.

12. Laro owes the City liquor license fees in the amount of Two Thousand Three Hundred and Twenty-Five Dollars (\$2,325.00).

13. As a result of the return of the check from Laro for non-sufficient funds the City has incurred a return check charge in the amount of Fifteen Dollars (\$15).

14. If the City sends the debt for the liquor licenses for Laro to a collection agency, the collection costs are twenty-five per cent (25%) of the total to be collected. The City would incur approximately Five Hundred and Eighty-One Dollars (\$581.00) in additional costs.

15. At the May 29, 1996 the City requested that it be reimbursed for the cost of the administrative hearing because the licensees failed to appear or to contest the violation. In Exhibit 2, Kampa was informed that the City would be seeking that reimbursement.

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Based upon the foregoing Findings of Fact, the Administrative Law Judge makes the following:

## **CONCLUSIONS**

1. The Saint Paul City Council and the Administrative Law Judge have jurisdiction in this matter pursuant to Minn. Stat. Sections 14.55 and 340A.415 and Saint Paul Legislative Code Sections 310.05 and 310.06. The Notice of Hearing issued by the City was proper and all applicable substantive procedural requirements have been fulfilled.

2. Saint Paul Legislative Code Sect. 310.06 allows adverse action to be taken against a licensee for a violation of any of the provisions of the Saint Paul Legislative Code, or of any statute, ordinance or regulation reasonably related to the licensed activity.

3. Licensee's failure to pay the current liquor license fees in a timely manner is a violation of the Saint Paul Legislative Code.

Based upon the foregoing Conclusions, the Administrative Law Judge makes the following:

#### RECOMMENDATION

IT IS HEREBY RECOMMENDED: that the Saint Paul City Council take adverse action against the licenses held by Laro, Inc., d/b/a Patrick's Lounge, suspending said licenses until payment of license fees, and associated costs, including the check charge, the collection costs, if any, and the costs of the administrative hearing.

Dated this 26th day of June, 1996.

/S/

TERRENCE A. MERRITT  
Administrative Law Judge

Reported: Tape Recorded

#### NOTICE

Pursuant to Minn. Stat. Sect. 14.62 Subdivision 1, the City Council is requested to serve its final decision upon each party and the Administrative Law Judge by first class mail.